

QUALIFICATION REQUIREMENTS FOR PROSPECTIVE CONTRACTORS SELLING
COMMODITIES TO USDA
April 2012

I. Introduction

The United States Department of Agriculture (USDA) Agricultural Marketing Service (AMS) procures various products for school lunch and other domestic food nutrition programs.

The qualification requirements requested as part of the application package for a prospective contractor are a reexamination and revalidation of established qualification requirements as required by the Federal Acquisition Regulations (FAR) Part 9 and are necessary for AMS to carry out its procurement mission. A prospective contractor shall be determined to be qualified by the Contracting Officer prior to submitting offers under an AMS solicitation. An interested contractor must complete and submit all materials requested herein to the AMS Commodity Procurement Division.

The Contracting Officer will review the application package and determine if a prospective contractor can be added to the Qualified Bidders List. Access to the Web-Based Supply Chain Management (WBSCM) system for submission of offers (bids) shall be granted only to Qualified Bidders.

Procurement information, including the Master Solicitation for Commodity Procurements, current Solicitations, Supplements and USDA Commodity Specifications, information on WBSCM, and historical contract award information, is located at <http://www.ams.usda.gov/commoditypurchasing>.

A prospective contractor may submit its application package at any time and will be notified whether requirements have been satisfied and approval to bid is granted. A prospective contractor that is a small business concern may be referred to the Small Business Administration (SBA) for a Certificate of Competency, if deemed necessary by the Contracting Officer.

II. Administrative Requirements

- A. Each prospective contractor shall register in the **Central Contractor Registration (CCR) system** at www.ccr.gov. The CCR requires a one-time business registration with mandatory annual updates. The CCR allows a prospective contractor to control the accuracy of its own business information. There is no fee to register in CCR.

The data from registrations will be used for procurement and payment purposes. It is the responsibility of the contractor to maintain current CCR registration. Expired CCR registration will prohibit a contractor's ability to enter an offer into the Web-Based Supply Chain Management (WBSCM) system.

NOTE: When registering in CCR, a contractor must assure that the option to “hide” registration from public view is not activated. Checking this box bars WBSCM from accessing the record, and will prohibit a contractor from entering an offer in WBSCM.

- B. Each prospective contractor shall complete the **Online Representation and Certifications Application (ORCA)** at <https://www.orca.bpn.gov>. CCR registration must be completed before ORCA registration can be completed. Each prospective contractor is required to update its representations and certifications submitted through the ORCA as necessary, but at least annually, to ensure they are kept current, accurate, and complete.

The ORCA registration is valid for one year from date of submission or update of the record. As with CCR registration, it is the responsibility of the contractor to maintain current ORCA registration.

- C. Each prospective contractor shall submit the **WBSCM Vendor Registration Form**, available at the website referenced above, as part of the application package. This form grants a prospective contractor limited access to the Web-Based Supply Chain Management System (WBSCM), but does not permit the applicant to submit offers/bids on USDA solicitations. Access to offer entry in WBSCM is reserved for qualified vendors only.
- D. A prospective contractor who is a certified small disadvantaged business (SDB), 8(a), and/or HUBZone, but is not certified in the CCR as such, must submit copy of applicable **SBA certificate**.

III. Capability Requirements

In accordance with FAR 9.104-1 and 9.104-3(b), each prospective contractor shall certify its capability to perform, by including the following in their application package:

- A. A written submission on company letterhead authenticating the exact legal name and including the following:
1. A list of all products the prospective contractor is interested in providing.
 2. A description of historical business experience including the number of years it has sold these or similar products in the commercial marketplace or to governmental organizations.
 3. Any additional pertinent information regarding a prospective contractor’s capabilities, such as, but not limited to, a satisfactory record of integrity and business ethics, and verification that it is otherwise qualified and eligible to receive an award under applicable laws and regulations.

- B. Three reference letters from customers the prospective contractor has sold similar products to (on letterhead with signatures).
- C. In accordance with 13 CFR 121.406, **a prospective contractor that is a non-manufacturer** must be engaged in the wholesale or retail trade and sell the items being offered to the general public.
 - 1. The non-manufacturer must provide a copy of the written agreement in effect between itself and the subcontractor(s) (manufacturer), to certify compliance with federal regulatory requirements and applicable AMS solicitation requirements. The agreement must be on company letterhead and must be signed by both parties.
 - 2. In addition, non-manufacturers must provide a complaint and dispute resolution proposal for rejected or defective products.

IV. Financial Responsibility

Financial responsibility determination will be made prior to award.

- A. Prospective contractors must provide their **Dun and Bradstreet (D&B) number (DUNS number)**. In order to facilitate the responsibility determination, AMS will request and evaluate Dun and Bradstreet's business analysis reports for each prospective contractor.
- B. It is highly recommended that each prospective or qualified contractor submit its audit or review level financial statement to D&B as this information impacts the D&B reports.
 - 1. The D&B web address is: <https://eupdate.dnb.com/default.asp?cmid=IOG200047>.
 - 2. The financial statement submitted to D&B should be no more than 16 months old.
- C. Prospective contractors must provide its latest complete comparative financial statement.
 - 1. The financial statement must be prepared in accordance with generally accepted accounting principles and be audited or reviewed by an independent certified public accountant in accordance with standards established by the American Institute of Certified Public Accountants.
 - 2. At a minimum, the statement should include a balance sheet, profit and loss statement, statement of cash flows, statement of retained earnings and any notes to the financial statement.
 - 3. For partnerships, the last fiscal year end or current financial statement of the partnership and the personal financial statement of each partner will be required.

4. For individuals, financial statements that include all of his/her personal and business assets and liabilities will be required.
- D. A prospective contractor shall demonstrate that it has adequate financial resources to perform the contract or the ability to obtain them as required by FAR part 9.104-3(a), including the availability of necessary working capital and satisfactory credit. This may include, but is not limited to, the financial protection against losses as set forth in FAR part 28.

Firms that are veteran-owned or service-disabled veteran-owned businesses (SDVOSB), and those certified under the U.S. Small Business Administration's 8(a) program, must provide insurance or line of credit equal to or above the project contract award total (FAR part 28).
- E. The D&B business analysis report will be reviewed on an annual basis to determine a qualified contractor's continued eligibility to receive an award. Every January 1st, each qualified contractor must submit its current audit or review level financial statements to D&B. In addition, a qualified contractor must notify its Contracting Officer when the financial information has been submitted to D&B.
- F. Failure to submit the required financial information to D&B and/or the Contracting Officer may result in the Contracting Officer making a non-responsibility determination.

V. Food Defense Requirements

All qualified contractors and subcontractors must have a documented and operational food defense plan that provides for the security of a plant's production processes and includes the storage and transportation of pre-production raw materials and other ingredients and post-production finished products. The plan shall address the following areas, where applicable: (1) food defense plan management; (2) outside and inside security of the production and storage facilities; (3) slaughter and processing, including all raw material sources; (4) controlled access to production and storage areas; (5) storage; (6) water and ice supply; (7) mail handling; (8) personnel security; and (9) transportation, shipping, and receiving (includes the sealing of any transport conveyance for truck lot and less-than-truck lot quantities of finished product).

- A. The food defense plans are audited by AMS. Any nonconformance identified must be addressed in writing to both the Contracting Officer and Auditor within 14 calendar days of the audit. Contact the appropriate AMS Audit and Accreditation Programs for information on food defense audit services. Contacts for each commodity area are found on the AMS website at www.ams.usda.gov/isaap under "Contact Us."
- B. For meat, fish, poultry, and egg products, reference the Food Safety and Inspection Service (FSIS) "Security Guidelines for Food Processors" at the following website: <http://www.fsis.usda.gov/OA/topics/SecurityGuide.pdf>. Information for the transportation and distribution of meat, poultry, and egg products is found at the following website: <http://www.fsis.usda.gov/oa/topics/transportguide.htm>.

- C. For fruits, vegetables, shell eggs, and other food products regulated by the Food and Drug Administration (FDA), reference FDA's "Food Producers, Processors, and Transporters: Food Security Preventive Measures Guidance" dated October, 2007 at the following website: <http://www.fda.gov/Food/FoodDefense/FoodSecurity/default.htm>.

VI. Pre-Award Plant Surveys

- A. After receiving the qualification information, a pre-award plant survey or capability assessment will be conducted to verify that a prospective contractor meets AMS qualification requirements. The pre-award survey/assessment will be conducted by the applicable AMS Program—Poultry Programs, Livestock and Seed, or Fruit and Vegetables—to evaluate technical, production, and transportation capabilities, and quality assurance and production control procedures of the vendor.
- B. Specific pre-award plant survey/assessment requirements are referenced in the Supplement and/or Commodity Specification(s) applicable to the commodities the prospective vendor is interested in supplying. These documents can be found on the Commodity Purchasing website at www.ams.usda.gov/commoditypurchasing. For more information, contact the Commodity Procurement Division at 202-720-7693.

VII. Contractor Approval

Upon successful submission and review of the application package materials, the contractor is added to the Qualified Bidders List, given a WBSCM Corporate Vendor Administrator role and a Vendor Offeror role, and is ready to submit bids on AMS solicitations.

A prospective contractor is encouraged to submit the application package as soon as possible to allow ample time for the processes of approval and subsequent WBSCM registration prior to the closing date for the targeted solicitation. A checklist (**Exhibit I**) is provided to assist the applicant with submission of a complete package.

The application package must be sealed and marked **CONFIDENTIAL**, and submitted to the following address:

USDA/AMS Commodity Procurement Division
1400 Independence Avenue, SW
Room 3932-S, Mail Stop 0256
Washington, DC 20250-0256

Except as provided in FAR Part 24.2 (the “Freedom of Information Act”) qualification information, including the pre-award survey reports, accumulated for purposes of determining the responsibility of a prospective contractor shall not be released or disclosed outside the government. All information provided will be kept confidential to the extent permitted by law.

Under penalty of perjury, each qualification package must be submitted and signed by an individual who has the legal authority to contractually bind a prospective contractor on whose behalf that information package is submitted. If any information provided by a prospective contractor becomes inaccurate, a prospective contractor must immediately notify the contracting officer and provide updated and accurate information in writing. AMS reserves the right to waive minor irregularities and omissions in the information obtained in the qualification package submitted.

Exhibit I

Use the following checklist to assist in completion of the application package. Questions regarding vendor qualifications and approval should be directed to the Commodity Procurement Division at 202-720-7693.

• Central Contractor Registration (CCR). www.ccr.gov	
• Online Representations and Certifications Application (ORCA). https://www.orca.bpn.gov	
• Business Status. As indicated in the Central Contractor Registration System, business status is one of the following:	
• Large business	
• Small business	
• Small disadvantaged business	
• Women-owned business	
• Veteran-owned business	
• Service-disabled veteran-owned business	
• HUBZone business	
• 8(a)	
• SBA certification , if applicable	
• WBSCM Vendor Registration Form	
• Company Letter certifying capability to perform	
• Three (3) Letters of Reference	
• Non-manufacturer. The following requirements also apply:	
○ Letter from manufacturer/supplier stating it is willing to provide product that meets the commodity specifications	
○ Complaint and dispute resolution proposal	
• Most current Dun and Bradstreet Report	
• Most current audited financial statement	